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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FILE

In the Matter of )  
Billed Party Preference )  
for 0+ InterLATA Calls )

CC Docket No. 92-77

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

REPLY COMMENTS OF U.S. LONG DISTANCE, INC.

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## SUMMARY

Billed party preference appears dead on arrival. What at first glance appeared to be a simple way to permit callers to avoid dialing five digit access codes on about 40 percent of "0" calls has been shown to be a \$1-2 billion, 4-6 year project that would create many more problems than it solves. The obvious undesirability of BPP serves to highlight the urgent need for the FCC to act promptly to declare "0+" to be in the public domain and bring an end to the turmoil in the operator assisted marketplace.

Showing a rare depth and breadth of public concern, 110 parties filed comments on the proposal; all but 19 of them opposed billed party preference. In fact, nearly all the supporters of BPP were those with an obvious direct financial gain (three RBOCs, Sprint, MCI) or state PUCs who supported the concept but clearly were unaware of the cost, time for implementation and other problems demonstrated by the other commentators. None of the BPP supporters challenged any of the detriments -- not the extreme cost, not the lengthy implementation period, not the harm to competition, not the chilling of technological innovation, not the creation of other problems by implementation of the system.

The virtually undisputed record evidence shows the following public interest harm from BPP:

- The cost of BPP implementation will approach \$2 billion;
- After implementation, approximately half of all operator assisted calls would require consumers to give duplicative information to two operators;
- Call processing delays of 6-30 seconds would be caused by BPP;
- BPP implementation will take at least four years;
- Technological innovation will be severely curtailed by BPP, and many existing conveniences will be eliminated (e.g., store-and-forward technology);
- Aggregators will lose hundreds of millions of dollars in commissions, and with it the ability and incentive to deploy new public telecommunications systems; and
- Competition among IXC's will be reduced from over 200 OSPs to a small handful of national carriers.

On the other side of the ledger, the record shows the following benefits to be derived from BPP:

- The need to dial a five digit access code to reach a preferred carrier will be removed from the minority of calls where it is required today.

In view of this record, the Commission should once and for all end the consideration of BPP as a future option. The mere possibility of BPP and its many harms casts a pall over the planning and investment of IXC's and aggregators and impairs their ability to attract financing. The Commission should finally put a stake through the heart of BPP and expeditiously resolve the pending CIID card dispute so that the operator services marketplace can begin to emerge from its regulatory purgatory.

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U.S. Long Distance, Inc., ("USLD"), by its attorneys, hereby submits its reply to the comments submitted on the Commission's proposal for a "billed party preference" ("BPP") system.<sup>1</sup> The comments demonstrate that the costs of BPP -- which will easily exceed \$1 billion dollars -- far outweigh any perceived benefits such a system may have. Moreover, a BPP system will actually have many harmful side effects for consumers and competition. USLD believes that, based upon the record in this proceeding, the Commission cannot reasonably conclude that the implementation of BPP would serve the public interest at this time.

INTRODUCTION

Approximately 110 parties filed comments in response to the Commission's NPRM. Of these parties, only 19 endorsed adoption of a BPP system, and some of those endorsing the mechanism did so only with specific caveats. More importantly, many local exchange telephone companies

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<sup>1</sup> Billed Party Preference for 0+ InterLATA Calls, CC Docket No. 92-77 (rel. May 8, 1992) (hereinafter "Notice").

("LECs"), including three of the seven Regional Bell Operating Companies ("RBOCs") -- the parties that conceivably stand to benefit the most from BPP -- opposed its adoption. And the support of a fourth RBOC was made contingent upon satisfaction of several strict conditions which may not be acceptable to the Commission.

The vast majority of interexchange carriers ("IXCs") also oppose implementation of BPP. Indeed, of the 23 IXCs filing comments, only four supported the Commission's proposal. Even AT&T, currently the sole vendor for BPP equipment, opposes its adoption. These IXCs note that the huge expenditures associated with BPP provide very little of value in return. Moreover, the additional complication to call routing and additional call processing time will result in consumer frustration and confusion. Finally, many of these carriers warned that "BPP will be competitively disastrous to regional IXCs which do not have ubiquitous nationwide network origination."<sup>2</sup>

Many state government agencies also filed comments opposing adoption of BPP. As demonstrated in these comments, several state agencies and universities have placed public payphones on government-owned property both as a convenience to their citizens and as a revenue-raising mechanism for the state. Because BPP would eliminate most of the aggregator

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<sup>2</sup> Comments of Cleartel at i.

commissions received from these payphones, many state governments and universities would stand to lose significant revenues. In view of the severe financial strain currently being experienced by many state and local governments, the Commission should be wary of adopting regulations which eliminate lucrative revenue sources.

Other parties expressed concerns about the use of BPP in a correctional facility environment. These institutions have installed systems at great expense which allow them to monitor and block calls as required to enhance inmate security and protect against telephone fraud. BPP would eliminate many of the benefits that these new systems provide.

Finally, other aggregators -- such as hotels, motels, COCOTs and airports -- demonstrated that BPP could have a devastating adverse impact upon their industries. All of these industries have made large investments in public communications systems based on certain assumptions about their ability to recover the costs. By drastically reducing revenues to those entities, BPP would prevent recovery of the costs of systems already purchased, thus forcing vendors to remove existing equipment, and discourage future installation of advanced public telecommunications equipment. This result seems especially unfair in view of the hundreds of millions

of dollars now being spent by these aggregators to implement the FCC's order to unblock 10XXX dialing.

**I. THE COMMENTS DEMONSTRATE THAT THE COSTS AND PROBLEMS OF A BILLED PARTY PREFERENCE SYSTEM FAR OUTWEIGH ANY POTENTIAL BENEFITS**

**A. The Cost of Billed Party Preference is Astronomical**

**1. LEC Costs**

Estimates for implementation and first year operation of a BPP system total well over \$1 billion for the RBOCs, GTE and SNET alone. This estimate does not include the approximately 1400 independent LECs, which BPP's supporters believe should also be required to deploy a BPP system. According to OPASTCO, however, the cost of implementation of a BPP system would be "prohibitive for small telcos."<sup>3</sup> There is no doubt that these costs ultimately will be passed on to end users in the form of higher prices for operator services.

While the record in this proceeding contains substantial information on the enormous costs associated with this proposal, USLD would simply like to highlight some of the expenses which the LECs expect to incur in order to implement BPP, and the network changes which would have to be made to bring this system to fruition:

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<sup>3</sup> Comments of OPASTCO at 4, n.2.



- ° BellSouth estimates its costs for fully implementing BPP for "0+" and "0-" calls as \$153 million (capital expenses of \$25 million, initial expenses of \$121 million and non-investment related, recurring expenses of \$7 million.) BellSouth cautions that this is the "minimum necessary to achieve service deployment in the BellSouth region,"<sup>4</sup> implying that actual implementation might eventually be more costly. According to BellSouth, costs are "primarily attributable to software modifications in central office and OSS switches."<sup>5</sup>
- ° NYNEX estimates that its costs to implement BPP would exceed \$82.6 million in initial costs "with an additional minimum required annual expenditure of approximately \$13.7 million, most of which would be necessary for an increased number of operators."<sup>6</sup> Specifically, NYNEX indicates that it would need to undertake the following changes:
  - ° Increase capacity at NYNEX's 19 existing TOPS switches -- extensive hardware and software modifications would be necessary at \$600,000 per switch. Also, because these switches are near capacity, NYNEX estimates that it would have to install two new switches at \$37 million.<sup>7</sup>
  - ° LIDB upgrade -- \$103,000. Additional LIDB computer hardware -- \$2.4 million.
  - ° Support system modifications -- \$500,000.
  - ° Interoffice trunk facility rearrangements. This would allow for the rerouting of all 0+ calls through one of NYNEX's TOPS switches -- \$27 million.

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<sup>4</sup> Comments of BellSouth at 10.

<sup>5</sup> Id. at 9.

<sup>6</sup> Comments of NYNEX at 3.

<sup>7</sup> Id. at 7.

- ° Operator facilities and training -- additional operators and office space to accommodate them -- \$3,050,000.
- ° Balloting -- \$19 million.<sup>8</sup>
- ° **Southwestern Bell** indicates that its BPP vendor price estimates increased approximately \$75 million in two weeks to \$127 million. This drastic change led the RBOC to answer that it has "serious concerns about the final projected level and availability of vendor prices and total implementation requirements."<sup>9</sup>
- ° **US West** estimates its costs to be approximately \$149 million.<sup>10</sup> These costs are attributable to: 1) software upgrades (\$68 million); 2) development of AABS functionality (\$25.3 million); 3) operator costs (\$21 million); 4) deployment of SS7 capability at all OSSs (\$7.5 million); 5) additional OSSs (\$13.1 million); and, 6) changes to LIDB (\$10 million).<sup>11</sup>
- ° **Ameritech** indicates \$70-\$80 million in start up and recurring costs.
- ° **Pacific Telesis** predicts at least \$103 million in start up costs plus an additional \$10-14 million in recurring costs.
- ° **SNET** predicts costs of \$30 million in the first year, excluding the costs of additional SS7 deployment.

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<sup>8</sup> Every LEC filing comments in this proceeding opposed implementation of a balloting process. However, there is no question that LEC balloting provides the most effective and efficient mechanism to determine end user choice.

<sup>9</sup> Comments of Southwestern Bell at 10.

<sup>10</sup> Comments of US West at 6.

<sup>11</sup> Id. at 6-7.

- **Bell Atlantic** predicts costs of \$134 million for the first year.<sup>12</sup>
- **The General Telephone Companies** indicate that a BPP system will cost approximately \$84 million to implement and \$23 million to operate.<sup>13</sup>

These estimates demonstrate that the initial LEC investment in BPP will easily exceed \$1 billion. Again, this \$1 billion obviously must be passed on to customers in the form of higher prices.

## **2. IXC Cost**

It is important to note that this \$1 billion figure merely reflects what the RBOCs and a few LECs would incur to implement a BPP system. In addition, aggregators and carriers also will be forced to expend vast sums to implement the system. For example, in order for carriers to provide service nationwide, they would need to establish a point-of-presence ("POP") in every LATA. This is not currently necessary for most IXCs.<sup>14</sup>

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<sup>12</sup> Comments of Bell Atlantic at Appendix A.

<sup>13</sup> Comments at 11.

<sup>14</sup> Regional IXCs today need only install POPs in LATA's where they have significant numbers of customers and associated traffic. If they attract new customers in LATAs where they lack facilities, they may program aggregator CPE to redial "0+" calls to the OSP's "800" access number -- a procedure which is transparent to the caller. BPP would eliminate this option, and require OSPs to obtain originating access facilities in all LATAs where their customers may potentially place calls -- effectively the entire United States.

AT&T, the largest carrier in the operator services market, claims that implementation of a BPP system will "require IXCs to make costly changes in their operator systems, and to reconfigure their networks to accommodate this proposal."<sup>15</sup> AT&T estimates that it would need to spend at least \$30 million in "development" costs so that its switching equipment could receive the appropriate information from the LECs' Operator Service Switches ("OSS"). It predicts another \$10 million to develop call processing software. Finally, AT&T estimates that it will incur additional significant costs to change its current network architecture. It predicts that extensive trunk rearrangements would cost approximately \$14 million, upgrading existing trunks at AT&T's POPs to SS7 would require \$8 million, and that signalling link additions would cost approximately \$6 million. In short, AT&T expects that it will need to spend at least \$68 million should the Commission require implementation of a BPP system. This figure is without regard to the marketing and other expenses associated with participation in any balloting or other subscriber allocation plan.

As the record plainly shows then, well over \$1 billion will need to be spent by the LECs, IXCs and aggregators to implement BPP. When the costs of other smaller independent

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<sup>15</sup> Id. at 12.

LECs and IXC's are taken into consideration, the expenditures necessary to implement BPP become astronomical. These costs will be passed on from LEC to IXC to, in the end, the consuming public. The Commission must carefully examine whether these expenditures will ever be justified by some significant benefit to the public.

**B. BPP Will Become Obsolete Before it Can Be Deployed**

According to Bell Atlantic -- the leading advocate of BPP -- BPP "could not be fully deployed until mid-1996 at the earliest."<sup>16</sup> No credible commenter believed that BPP could be introduced any earlier. During the intervening period, IXC's and aggregators will continue in their efforts to assist callers by unblocking phones and educating consumers on the use of access codes. By the time BPP can be installed, callers will know the access code of their preferred carrier and be accustomed to using it when necessary.

USLD urges the Commission to consider the wisdom of again radically revising the system for consumers four years from now. As the Commission's recently enacted regulations requiring unblocking of aggregator phones, and posting and branding requirements for OSPs are implemented, consumers increasingly understand how to utilize the various dialing patterns available to reach their carrier of choice. Over

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<sup>16</sup> Comments of Bell Atlantic at 2.

the next few years, consumers will no doubt become sophisticated purchasers of operator services, just as they have become so in the "1+" market.

A radical change in the current dialing system would not provide consumers with any additional benefits. Rather, it would serve only to frustrate consumers that have expended time and effort -- four or more years worth -- to learn how to access their carrier of choice under the Commission's current system.

**C. BPP Will Not Provide Any Benefit for the Majority of Telephone Calls**

After expending at least four years effort, and well over \$1 billion in expense, consumers would begin to realize the supposed benefits of a BPP system. What will these benefits be? Supposedly, BPP would enable the party paying for the telephone call to choose the carrier that will carry the call without dialing access codes. How does this differ from today's operator services environment? In most cases, not at all.

As noted by AT&T, "[t]he billed party's ability to control the selection of the preferred IXC has always been apparent for calling card customers.<sup>17</sup> Such callers can dial "0+" where the preferred IXC is the carrier presubscribed to

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<sup>17</sup> Comments of AT&T at 6.

the telephone, or an access code to "dial around" the presubscribed carrier. Because AT&T carries approximately 80 percent of all operator calls, and is the presubscribed carrier at approximately 75 percent of the aggregator and payphone locations, a majority of callers today are able to access their carrier of choice -- AT&T -- by simply dialing "0+".

In short, most billed parties already access their carrier of choice by dialing "0". The only discernible benefit afforded by BPP is the elimination of the need to dial a five, seven or ten digit access code to reach a carrier other than the one presubscribed to the originating telephone. Because this situation only occurs about 40 percent of the time for calling card customers, BPP offers no tangible benefit for a majority of operator assisted calls. Nonetheless, if the system is implemented, an extra fee would be levied on every call to cover the costs of BPP.

**D. BPP Will Result in Consumer Confusion and Frustration**

Nearly 50 percent of all interLATA "0+" operator assisted calls are of the "0+-" variety. These include collect, person-to-person and bill-to-third number calls. Under the current dialing scheme, these calls are routed to the IXC presubscribed to the telephone. The comments make clear that under BPP callers placing such "0+-" calls must

interact with two separate operators to complete some calls - the LEC operator and the OSP operator. This is because BPP requires all calls to be routed to the LEC for processing, even though the LEC cannot complete the interLATA call. After obtaining the information required to determine the caller's preselected IXC, the LEC operator transfers the call to the IXC operator. The IXC operator system then collects any remaining information required to verify, bill or route the call. Surely BPP will not create the consumer convenience envisioned by the Commission in this case.

Advocates of BPP contend that the deployment of SS7 technology in combination with the development of Automated Alternate Billing Services ("AABS") will eliminate the need for consumers to "interact" with two distinct operators.<sup>18</sup> AABS is currently in use by some LECs to automate many operator functions for intraLATA calls, although it is not ubiquitously available.<sup>19</sup> According to some LECs, with AABS, the end user can input "the type of call, calling card or third party number, and then after the LIDB query, the call is routed to the OSP."<sup>20</sup> Thus, ABBS will automate the LEC

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<sup>18</sup> See Comments of PacTel at 10.

<sup>19</sup> Id. at n.7.

<sup>20</sup> Id.



operator function, allowing the callers first live interaction to be with the IXC operator.

However, AABS does not eliminate the need for callers to have to interact with two operators. It simply replaces a "live" LEC operator with a robotic one. Even when AABS and SS7 are available, the LEC operator system can only collect and transmit numeric information. Collect, person-to-person and third number billed calls all require the collection of verbal information. This function can only be performed by the IXC operator. Thus, as noted by BellSouth, "[t]he transfer from LEC to IXC system cannot be made transparent and in BellSouth's view would prove confusing to the public."<sup>21</sup> Furthermore, the caller would have to speak with two operators in situations where the LEC and IXC operator systems are not compatible.<sup>22</sup>

Moreover, it has been USLD's experience that almost half of all "0+-" calls occur in situations where callers are seeking to bill the call to a calling or credit card, but are unsure about how to handle the call in a fully automated fashion. In other words, these callers actually need to obtain assistance in call completion.

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<sup>21</sup> Comments of BellSouth at 14.

<sup>22</sup> See Comments of GTE at 9.

BellSouth also notes that AABS will not be of help in the treatment of "subsequent attempt" calls.<sup>23</sup> This situation occurs when customers: 1) request a change in billing method during call processing; 2) request a second number because of a busy or no answer on the original called line; or 3) request a second number when a collect call is rejected. In all these cases, customers would have to hang up and start the entire calling process again because the billed party's preferred carrier for the second number may not be the same as the first.

As a final inconvenience to consumers, BPP will increase call set up times for all "0+" calls -- "0++" calling card calls and "0+-" calls alike -- by as much as 30 seconds. The various processing functions associated with BPP will add from 6 to 30 seconds to the front end of network set up, depending upon the call type and the caller's familiarity with the system. In its Docket 86-10, the Commission found call set up delays of 5 seconds to be more than consumers should face in dialing 800 numbers.<sup>24</sup> Accordingly, the Commission directed the LECs to delay implementation of their new 800 database service until call processing times could be reduced. Those Commission conclusions cannot be reconciled

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<sup>23</sup> See Comments of BellSouth at 14.

<sup>24</sup> See Provision of Access for 800 Service, 4 FCC Rcd 2824, 2829 (1992).

with adoption of a BPP system with its much longer call processing delays.

## **II. AGGREGATORS WILL BE UNFAIRLY HARMED BY BPP**

As noted by one of the commenters, "an astonishing array of telecommunications services are now available to the traveling public because of successful public policy predating divestiture."<sup>25</sup> Largely due to the current system of premises owner presubscription, and the resulting flow of commission payments to call aggregators, a wide variety of public phone services have been made available at airports, universities, hotels, correctional facilities, and state government locations. Many aggregators believe, however, that these new capabilities will be lost to the public if BPP is implemented. Indeed, the comments demonstrate that BPP will result in the virtual elimination of aggregator commissions, resulting in higher prices for fewer services.

As noted by the AHMA, the lodging industry has already made large investments in CPE and other telecommunications equipment to provide operator assisted calling to its customers. BPP would impair this continually evolving technology by 1) eliminating compensation for the origination of operator-assisted traffic and 2) presenting "technical

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<sup>25</sup> Comments of American Hotel & Motel Association ("AHMA") at i.

roadblocks to current and future technology offerings."<sup>26</sup> BPP also would require reconfiguration of hotel traffic. Currently, many hotels utilize dedicated T-1 trunking arrangements for all 0+ and 1+ traffic to connect the hotel to the presubscribed IXC. BPP would require rerouting the 0+ portion of the hotel's traffic over common lines. This type of reconfiguration not only results in increased cost to the aggregator, but in lost investment for the original arrangement. BPP will also increase call set up times which were previously eliminated by these digital connections. Accordingly, the lodging industry will have to undertake considerable expense, again, to comply with modified federal policies.<sup>27</sup>

Several state government agencies also submitted comments opposing adoption of a BPP system. According to their comments, many states have undertaken the expense of purchasing and installing pay telephones to be located on state government property, and have entered into agreements with IXCs to handle operator-assisted calls from these locations. These agreements produce substantial revenues for the states -- revenues which are often used to offset state taxes or other revenue-raising activities.

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<sup>26</sup> Id. at 7.

<sup>27</sup> In the legislative hearings on TOCSIA, the AHMA estimated that the lodging industry would spend over \$1 billion to comply with unblocking requirements.

For example, in South Carolina, revenue payments by MCI to state universities totaled over \$900,000 for eight months. These revenues have been used to stabilize student fees for telecommunication services and to enhance a main-campus network connection to satellite campuses around the state.<sup>28</sup> South Carolina also uses commissions generated by correctional facility telephones to fund inmate educational programs and recreational facilities. As stated by the New York City Department of Telecommunications and Energy, a BPP system "may succeed in assuring more convenient access to operator service providers at public telephones at the expense of limiting the number of telephones and new and enhanced services available to consumers."<sup>29</sup>

Other aggregators have warned the Commission of similar consequences. Harvard University filed comments stating that "[i]f commissions and sent-paid screening were no longer available with BPP, [it] would be forced to raise rates, or consider surcharges, to recover the cost of network access for 0+ and 0- calls for sent-paid non-billable calls."<sup>30</sup> Several airports stated that BPP may result in "degradation in quality of service, increased costs to users of public

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<sup>28</sup> Comments of South Carolina Division of Information Resource Management at 7.

<sup>29</sup> Comments of New York City Department of Telecommunications and Energy at ii.

<sup>30</sup> Comments of Harvard University at 1.

payphones, and curtailment of service enhancements and flexibility."<sup>31</sup> The National Association of Convenience Stores also filed comments noting that many convenience store owners have installed pay telephone equipment to satisfy customer needs and to "gain and retain business."<sup>32</sup> These investments would be lost if payphone owners no longer received commissions from OSPs.

### **III. BPP WILL REDUCE COMPETITION IN THE OPERATOR SERVICES MARKET AND STIFLE NEW TECHNOLOGIES**

#### **A. A BPP System Will Inhibit the Growth of New Technology**

A BPP system is inherently a network-based approach. In other words, BPP would send all operator calls into the LECs' network in order to determine the billed party's carrier of choice. The network would then reroute the call to that predesignated carrier. Because BPP would always require the initial routing determination to be completed within the LEC network, it would be senseless for companies to attempt to develop more efficient or cost effective technologies to perform this function. Thus, BPP could restrain the

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<sup>31</sup> Comments of Airports Association Council International - NA at ii.

<sup>32</sup> Comments of National Association of Convenience Stores at 3.

development of new equipment which might reduce costs to the calling party or help the network run more efficiently.

Many of the comments demonstrate how implementation of a BPP system would make some current technology obsolete. For example, many "pay telephone providers themselves offer operator services through technology incorporated in the pay telephones."<sup>33</sup> This "store and forward" technology automates many of the operator service functions, allowing consumers to place calls without the intervention of a live operator. In essence, these phones capture all of the operator assisted information and route them as 1+ calls. For these telephones to operate, however, calls must be routed to the presubscribed carrier.<sup>34</sup> BPP will render this capability obsolete. Because all "0+" calls must be processed at the LEC OSS, the services performed by these "smart" payphones will be prohibited.

In addition, a network based approach will stifle further developments for both equipment and network-based applications. For example, Intellicall's comments discuss its new voice messaging service which allows the caller to leave a message for the called party. The "message center" will continually attempt to deliver these messages at

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<sup>33</sup> Comments of Intellicall at 6.

<sup>34</sup> See Comments of Independent Payphone Association of New York, Inc. at 12.

selected intervals. These technology advancements often drive network based providers to develop similar services. BPP will render this equipment obsolete. The investment already made in such systems will be stranded, and equipment vendors will be unlikely to undertake new equipment development for fear of further government action which renders the technology useless.

**B. Many Small OSPs Will Not Survive if BPP Is Implemented**

While USLD acknowledges that there have been abuses in the operator services marketplace in the past, TOCSIA and the Commission's rules implementing the legislation were enacted to end the unfair practices. Since then, the marketplace has responded to consumer concerns and IXC's have undertaken a vigorous effort to educate customers on how to utilize their services. These efforts have been undertaken at considerable expense, and have helped consumers to learn how to make informed purchases of "0+" services.

Despite this progress, under a BPP system regional IXC's will no longer be able to compete in the operator services market. Under a BPP system callers would be asked to designate a primary IXC to carry all of their interLATA "0+" calls. The marketplace reality simply is that consumers will not preselect carriers which are unable to provide service on a nationwide basis. Moreover, contrary to the Commission's



belief, it is doubtful that large carriers will have any incentive to develop partnership agreements with smaller IXCs, when they could likely gain the traffic themselves when the regional IXCs are forced from the market.

And finally, BPP effectively precludes "0+" long distance competition within the LATA, despite the valiant efforts of several state regulatory agencies to promote it. Indeed, the LECs have demonstrated their intentions -- and regulators have reacted apathetically -- in the 1+ industry by capturing and completing over their own network long distance intraLATA calls, even though the end user has presubscribed to another long distance carrier. Mandating a system which effectively remonopolizes an entire segment of the competitive telecommunications industry is flatly inconsistent with the Commission's ongoing effect to usher competition into the local exchanges.

#### IV. CONCLUSION

The comments are virtually unanimous in their opposition to adoption of a BPP system. Increased costs, consumer frustration, and decreased services require that the Commission reject such a proposal and continue on its course